

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

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In re	:	Chapter 9
	:	
CITY OF DETROIT, MICHIGAN,	:	Case No. 13-53846
	:	
Debtor.	:	Hon. Steven W. Rhodes
	:	
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**STIPULATION REGARDING PROPOSED ORDER
MODIFYING THE ORDER IDENTIFYING LEGAL ISSUES,
ESTABLISHING SUPPLEMENTAL BRIEFING SCHEDULE
AND SETTING HEARING DATES AND PROCEDURES [Docket No. 5235]**

The City of Detroit, Michigan (the "City"), and Syncora Capital Assurance Inc. and Syncora Guarantee Inc. (together, "Syncora" and, collectively with the City, the "Parties"), by and through each of their undersigned counsel, stipulate as follows:¹

1. On May 12, 2014, Syncora filed an objection (Docket No. 4679) to confirmation of the Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (Docket No. 4392) (the "Plan"), arguing, among other things, that the UTGO Settlement violates the Unlimited Tax Election Act, M.C.L. §§ 141.161 *et seq.* (the "UTEA").

¹ Capitalized terms not defined herein have the meanings given to them in the Plan.

2. On June 5, 2014, the Court entered the Order Identifying Legal Issues, Establishing Supplemental Briefing Schedule and Setting Hearing Dates and Procedures (Docket No. 5235) (the "Order Identifying Legal Issues"). Paragraph 6 of the Order Identifying Legal Issues identified the following issue ("Issue 6") as one that may be determinable as a matter of law: "Whether the UTGO settlement violates the Unlimited Tax Election Act, M.C.L. §§ 141.161-168." Pursuant to the Order Identifying Legal Issues, briefs on the issues identified therein were due on June 30, 2014, and a hearing on Issue 6 is scheduled for July 16, 2014 at 11:45 a.m. Eastern Time. Order Identifying Legal Issues, at ¶¶ (a), (d).

3. In accordance with the Order Identifying Legal Issues, both the City (Docket No. 5707) and Syncora (Docket No. 5706) filed briefs addressing, among other things, Issue 6.

4. On July 9, 2014, the Court entered the Order for Supplemental Briefs on the Issue of Standing (Docket No. 5877) (the "Order for Supplemental Briefs on Standing"), requiring the City and Syncora to submit supplemental briefs regarding, with respect to Syncora's objection to the Plan related to the UTGO Settlement, whether "the statutes on which Syncora relies," including the UTEA, "are intended to protect Syncora's interests," and whether "Syncora has standing to raise [such] objection." Order for Supplemental Briefs on Standing, at 1.

5. On July 14, 2014, both the City (Docket No. 6010) and Syncora (Docket No. 6009) filed supplemental briefs in accordance with the Order for Supplemental Briefs on Standing.

6. The Parties currently are in discussions with respect to various outstanding issues related to the Plan and the confirmation process, including Issue 6.

7. The Parties wish to adjourn the argument on Issue 6, currently scheduled for July 16, 2014, until the earliest date after July 30, 2014 that is convenient for the Court, and respectfully request that the Court enter the proposed Order attached hereto as Exhibit 1, modifying the Order Identifying Legal Issues accordingly.

Dated: July 15, 2014

/s/ Ryan Blaine Bennett

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EXHIBIT 1

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CITY OF DETROIT, MICHIGAN,	:	Case No. 13-53846
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**ORDER MODIFYING THE ORDER IDENTIFYING LEGAL
ISSUES, ESTABLISHING SUPPLEMENTAL BRIEFING SCHEDULE
AND SETTING HEARING DATES AND PROCEDURES [Docket No. 5235]**

This matter came before the Court on the Stipulation Regarding Proposed Order Modifying the Order Identifying Legal Issues, Establishing Supplemental Briefing Schedule and Setting Hearing Dates and Procedures [Docket No. 5235] (the "Stipulation"),¹ filed by the City of Detroit (the "City"), and Syncora Capital Assurance Inc. and Syncora Guarantee Inc. (together, "Syncora" and, collectively with the City, the "Parties"); the Court having reviewed the Stipulation; the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court being fully advised in the premises;

¹ Capitalized terms not defined herein have the meanings given to them in the Stipulation.

IT IS HEREBY ORDERED THAT:

1. The Stipulation is APPROVED.

2. Argument on the issue identified in paragraph 6 of the Order Identifying Legal Issues ("Issue 6") is adjourned and will not be heard at the hearing on legal issues scheduled for July 16 and 17, 2014.

3. The Court will provide notice of the date on which argument regarding Issue 6 will be heard, which will be after July 30, 2014.

CERTIFICATE OF SERVICE

I, Heather Lennox, hereby certify that the foregoing Stipulation Regarding Proposed Order Modifying the Order Identifying Legal Issues, Establishing Supplemental Briefing Schedule and Setting Hearing Dates and Procedures [Docket No. 5235] was filed and served via the Court's electronic case filing and noticing system on this 15th day of July, 2014.

/s/ Heather Lennox